



ILIM - The week that was – WEEK 22 (ending 29/05/2015)

“ Defeat is not bitter unless you swallow it. ” - Joe Clark

Ireland at No 16 in international competitiveness ranking – As part of its ranking of 61 economies for 2015, the IMD World Competitiveness Center rated Ireland as 16th with the U.S. at No 1. Some others in the top 10 included Hong Kong, Germany, Singapore, Switzerland and Canada. The U.K. was in 19th spot.

Irish residential property prices rose by 0.6% in April – Property prices rose 0.6% nationwide in April according to the latest CSO figures. Overall, residential property prices remained up 15.8% on an annual basis. However, residential property prices nationwide are still 37.8% lower than their peak level in 2007.

IMF Chief says there is still a lot of work to do in Greek debt talks – International Monetary Fund Managing Director Christine Lagarde was quoted as saying: "Things have moved, but there is still a lot of work to do," adding that she believed Greece would fulfil its commitments. Without a deal, Athens risks default or bankruptcy.

GDP in OECD slowed to 0.3% in Q 1 2015 – Economic growth in the OECD area (Organisation for Economic Cooperation and Development - 34 mainly developed countries) reduced to 0.3% in the first quarter of 2015, down from 0.5% in the fourth quarter of 2014. Among the top economies, the U.S. slowed the most (to 0.1%).

Trade deficit hits U.K. growth in first quarter – The Office for National Statistics (ONS) said the economy grew by 0.3% in the first quarter compared to 6% in Q 4 2014, the weakest pace of growth since the final quarter of 2012. Net trade was the biggest drag on the economy in Q 1 2015, as imports surged 2.3% and exports fell by 0.3%.

Shanghai Composite Index suffers worst one-day decline since January – After reaching a 7-year high the previous week, the Chinese stock market suffered a reverse with the Chinese Shanghai Composite Index falling by 6.5%, following seven days of gains. This was the worst one-day fall since 19th January.

The Story of the week: Winnie Blagden, who has no surviving relatives, received 16,000 birthday cards on her 100th birthday from around the world as part of a BBC Radio Sheffield Facebook appeal. The appeal was seen by more than 2.5 million people, with presents and the 16,000 cards sent to the radio station, while people from as far afield as the US, Australia, New Zealand, Romania and Japan responded online.

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Index Performances and Market Data

| Equity Markets (%) | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 YTD |
|---------------------------------------|-------------|-------------|-------------|-------------|-------------|-----------------|
| ISEQ | -3.0 | 0.6 | 14.7 | 35.8 | 16.8 | 21.8 |
| FTSE 100 | 9.0 | -5.6 | 6.0 | 18.7 | 0.7 | 8.4 |
| Euro Stoxx 50 | -0.1 | -17.7 | 13.4 | 21.5 | 4.0 | 16.2 |
| S&P 500 | 12.8 | 0.0 | 12.4 | 32.4 | 13.7 | 3.4 |
| Nasdaq | 16.9 | -1.8 | 14.1 | 36.9 | 14.8 | 7.9 |
| Nikkei | -3.0 | -17.3 | 16.24 | 59.4 | 7.1 | 18.8 |
| MSCI Emerging Markets | 16.4 | -20.4 | 13.8 | -2.3 | 5.6 | 7.9 |
| MSCI World | 17.2 | -7.62 | 12.1 | 26.3 | 10.4 | 7.1 |
| Sovereign 10yr Bond Yields (%) | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 YTD |
| US | 3.3 | 1.9 | 1.7 | 3.0 | 2.2 | 2.1 |
| German | 3.0 | 1.8 | 1.4 | 1.9 | 0.5 | 0.5 |
| UK | 3.4 | 2.0 | 1.9 | 3.0 | 1.9 | 1.8 |
| Japan | 1.1 | 1.0 | 0.7 | 0.7 | 0.3 | 0.4 |
| Ireland | 9.1 | 8.4 | 4.5 | 3.4 | 1.3 | 1.2 |
| Italy | 4.8 | 7.1 | 4.6 | 4.1 | 2.1 | 1.9 |
| Greece | 12.5 | 31.7 | 12.7 | 8.2 | 9.6 | 10.6 |
| Portugal | 6.6 | 13.4 | 6.9 | 6.1 | 2.7 | 2.5 |
| Spain | 5.5 | 5.1 | 5.4 | 4.1 | 1.6 | 1.8 |
| Central Bank Rates (%) | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 YTD |
| ECB | 1 | 1 | 0.75 | 0.25 | 0.05 | 0.05 |
| Bank of England | 0.5 | 0.5 | 0.5 | 0.25 | 0.50 | 0.50 |
| US Federal Reserve | 0.25 | 0.25 | 0.25 | 0.25 | 0.25 | 0.25 |
| Foreign Exchange Rates | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 YTD |
| Euro/Dollar (€/\$) | 1.34 | 1.30 | 1.31 | 1.37 | 1.21 | 1.10 |
| Euro/Sterling (€/£) | 0.86 | 0.83 | 0.81 | 0.83 | 0.78 | 0.72 |
| Sterling/Dollar (£/\$) | 1.56 | 1.55 | 1.61 | 1.65 | 1.56 | 1.53 |
| IPD All Property Return (%) | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 YTD |
| Ireland | -2.4 | -2.4 | 3.1 | 12.7 | 40.1 | TBC |
| UK | 14.5 | 8.1 | 2.7 | 10.7 | 17.8 | TBC |
| US | 14.8 | 14.5 | 5.3 | 11.4 | 11.2 | TBC |

*Past performance is not a reliable guide to future performance